

SERFF Tracking Number: KSPM-127108142 State: California
Filing Company: Kaiser Permanente Insurance Company State Tracking Number: PF-2011-00828
Company Tracking Number:
TOI: H16G Group Health - Major Medical Sub-TOI: H16G.003A Small Group Only - PPO
Product Name: PPO
Project Name/Number: PPO Small Group 7/2011 Rates/

Filing at a Glance

Company: Kaiser Permanente Insurance Company

Product Name: PPO

SERFF Tr Num: KSPM-127108142 State: California

TOI: H16G Group Health - Major Medical

SERFF Status: Assigned

State Tr Num: PF-2011-00828

Sub-TOI: H16G.003A Small Group Only - PPO Co Tr Num:

State Status:

Filing Type: Rate

Reviewer(s): Angela Jang, Marsha
Seeley, Sai-on Sam, Ali Zaker-
Shahrak, Wayne Thomas, Karl
Whitmarsh, Shelly Huang

Authors: Gabrielle Ehrlich, Conrad

Disposition Date:

Llaguno, Linda Brown

Date Submitted: 04/29/2011

Disposition Status:

Implementation Date Requested: 07/01/2011

Implementation Date:

General Information

Project Name: PPO Small Group 7/2011 Rates

Project Number:

Requested Filing Mode: File & Use

Explanation for Combination/Other:

Submission Type: New Submission

Group Market Type: Employer

Filing Status Changed: 05/02/2011

State Status Changed:

Created By: Linda Brown

Corresponding Filing Tracking Number:

PPACA: Not PPACA-Related

PPACA Notes: null

Filing Description:

PPO Small Group rates effective July 1, 2011

Status of Filing in Domicile: Authorized

Date Approved in Domicile:

Domicile Status Comments:

Market Type: Group

Group Market Size: Small

Overall Rate Impact:

Deemer Date:

Submitted By: Linda Brown

Company and Contact

Filing Contact Information

Linda Brown, Sr. Contract Analyst

Linda.A.Brown@kp.org

SERFF Tracking Number: KSPM-127108142 State: California
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3100 Thornton Ave 818-557-7907 [Phone]
 4th Floor 818-525-4398 [FAX]
 Burbank, CA 91504

Filing Company Information

Kaiser Permanente Insurance Company CoCode: 60053 State of Domicile: California
 393 East Walnut Street Group Code: Company Type:
 Pasadena, CA 91188 Group Name: State ID Number:
 (818) 546-4187 ext. [Phone] FEIN Number: 94-3203402

Filing Fees

Fee Required? No
 Retaliatory? No
 Fee Explanation:
 Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Kaiser Permanente Insurance Company	\$0.00		

SERFF Tracking Number:	KSPM-127108142	State:	California
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Company Tracking Number:			
TOI:	H16G Group Health - Major Medical	Sub-TOI:	H16G.003A Small Group Only - PPO
Product Name:	PPO		
Project Name/Number:	PPO Small Group 7/2011 Rates/		

Rate Information

Rate data applies to filing.

Filing Method:	Serff
Rate Change Type:	Increase
Overall Percentage of Last Rate Revision:	4.200%
Effective Date of Last Rate Revision:	01/01/2011
Filing Method of Last Filing:	Serff

Company Rate Information

Company Name:	Company Rate Change:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where required):	Minimum % Change (where required):
Kaiser Permanente Insurance Company	Increase	7.500%	12.000%	\$236,387	125	\$4,817,404	7.500%	7.500%
Product Type:	HMO	PPO	EPO	POS	HSA	HDHP	FFS	Other
Covered Lives:		812						
Policy Holders:		263						

<i>SERFF Tracking Number:</i>	<i>KSPM-127108142</i>	<i>State:</i>	<i>California</i>
<i>Filing Company:</i>	<i>Kaiser Permanente Insurance Company</i>	<i>State Tracking Number:</i>	<i>PF-2011-00828</i>
<i>Company Tracking Number:</i>			
<i>TOI:</i>	<i>H16G Group Health - Major Medical</i>	<i>Sub-TOI:</i>	<i>H16G.003A Small Group Only - PPO</i>
<i>Product Name:</i>	<i>PPO</i>		
<i>Project Name/Number:</i>	<i>PPO Small Group 7/2011 Rates/</i>		

Rate Review Details

COMPANY:

Company Name:	Kaiser Permanente Insurance Company
HHS Issuer Id:	00000
Product Names:	Small employer group Participating Provider (PPO), Small employer group Participating Provider (PPO)HSA KP Choice Solutions Participating Provider (PPO), KP Choice Solutions Participating Provider (PPO)HSA, KP Choice Solutions OOA Indemnity.
Trend Factors:	Overall medical trend factor is 9.8%.

FORMS:

New Policy Forms:	
Affected Forms:	
Other Affected Forms:	GP-OOA-CA

REQUESTED RATE CHANGE

INFORMATION:

Change Period:	Semi-annual
Member Months:	9,638
Benefit Change:	None
Percent Change Requested:	Min: 7.5 Max: 7.5 Avg: 7.5

PRIOR RATE:

Total Earned Premium:	4,817,404.00
Total Incurred Claims:	5,179,257.00
Annual \$:	Min: 4,236.00 Max: 41,754.00 Avg: 6,750.00

REQUESTED RATE:

Projected Earned Premium:	5,642,878.00
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<i>SERFF Tracking Number:</i>	<i>KSPM-127108142</i>	<i>State:</i>	<i>California</i>
<i>Filing Company:</i>	<i>Kaiser Permanente Insurance Company</i>	<i>State Tracking Number:</i>	<i>PF-2011-00828</i>
<i>Company Tracking Number:</i>			
<i>TOI:</i>	<i>H16G Group Health - Major Medical</i>	<i>Sub-TOI:</i>	<i>H16G.003A Small Group Only - PPO</i>
<i>Product Name:</i>	<i>PPO</i>		
<i>Project Name/Number:</i>	<i>PPO Small Group 7/2011 Rates/</i>		
Projected Incurred Claims:	5,957,594.00		
Annual \$:	Min: 4,548.00 Max: 44,885.00 Avg: 7,256.00		

<i>SERFF Tracking Number:</i>	<i>KSPM-127108142</i>	<i>State:</i>	<i>California</i>
<i>Filing Company:</i>	<i>Kaiser Permanente Insurance Company</i>	<i>State Tracking Number:</i>	<i>PF-2011-00828</i>
<i>Company Tracking Number:</i>			
<i>TOI:</i>	<i>H16G Group Health - Major Medical</i>	<i>Sub-TOI:</i>	<i>H16G.003A Small Group Only - PPO</i>
<i>Product Name:</i>	<i>PPO</i>		
<i>Project Name/Number:</i>	<i>PPO Small Group 7/2011 Rates/</i>		

Rate/Rule Schedule

Schedule Item Status:	Document Name:	Affected Form Numbers: (Separated with commas)	Rate Action: Action:*	Rate Action Information:	Attachments
	July 2011 KPIC PPO Standard Rates for filing	KPIC-RATES-PPO-2011 (07)-CA	New		July 2011 KPIC PPO Standard Rates for filing.pdf

Jul-11 KPIC Small Group Monthly Standard Employee Risk Rates

PPO&Indemnity Plans

Area: 1

Northern CA KP Service Area

Area: 2

Northern CA Out-of-KP Service Area and Out-of-State

PPO 40/1000				
Age	SUB	SUB + SP	SUB + CH	FAM
<30	\$438	\$1,277	\$949	\$1,433
30-39	\$540	\$1,508	\$1,051	\$1,661
40-49	\$723	\$1,594	\$1,108	\$1,841
50-54	\$973	\$2,040	\$1,274	\$2,177
55-59	\$1,199	\$2,519	\$1,497	\$2,650
60-64	\$1,562	\$3,124	\$1,859	\$3,252
65+	\$1,944	\$4,533	\$2,239	\$4,653

PPO HSA 40/2500				
Age	SUB	SUB + SP	SUB + CH	FAM
<30	\$405	\$1,181	\$877	\$1,325
30-39	\$500	\$1,395	\$972	\$1,537
40-49	\$669	\$1,475	\$1,025	\$1,704
50-54	\$900	\$1,887	\$1,178	\$2,014
55-59	\$1,109	\$2,330	\$1,385	\$2,452
60-64	\$1,445	\$2,889	\$1,720	\$3,008
65+	\$1,798	\$4,193	\$2,071	\$4,304

KP CS PPO 30/500				
Age	SUB	SUB + SP	SUB + CH	FAM
<30	\$562.96	\$1,640.29	\$1,218.94	\$1,840.90
30-39	\$694.16	\$1,937.39	\$1,350.13	\$2,134.53
40-49	\$928.78	\$2,047.76	\$1,423.02	\$2,365.68
50-54	\$1,250.17	\$2,621.13	\$1,636.82	\$2,797.45
55-59	\$1,540.33	\$3,236.15	\$1,923.50	\$3,404.90
60-64	\$2,006.80	\$4,012.91	\$2,388.31	\$4,177.85
65+	\$2,496.88	\$5,822.58	\$2,876.01	\$5,976.85

KP CS PPO 30/500				
Age	SUB	SUB + SP	SUB + CH	FAM
<30	\$506.66	\$1,476.26	\$1,097.05	\$1,656.81
30-39	\$624.74	\$1,743.65	\$1,215.12	\$1,921.08
40-49	\$835.90	\$1,842.98	\$1,280.72	\$2,129.11
50-54	\$1,125.15	\$2,359.02	\$1,473.14	\$2,517.71
55-59	\$1,386.30	\$2,912.54	\$1,731.15	\$3,064.41
60-64	\$1,806.12	\$3,611.62	\$2,149.48	\$3,760.07
65+	\$2,247.19	\$5,240.32	\$2,588.41	\$5,379.17

KP CS PPO HSA 40/2200				
Age	SUB	SUB + SP	SUB + CH	FAM
<30	\$479.64	\$1,397.53	\$1,038.53	\$1,568.45
30-39	\$591.42	\$1,650.65	\$1,150.31	\$1,818.62
40-49	\$791.32	\$1,744.69	\$1,212.41	\$2,015.56
50-54	\$1,065.15	\$2,233.20	\$1,394.57	\$2,383.42
55-59	\$1,312.36	\$2,757.20	\$1,638.83	\$2,900.97
60-64	\$1,709.80	\$3,419.00	\$2,034.84	\$3,559.53
65+	\$2,127.34	\$4,960.83	\$2,450.36	\$5,092.27

KP CS PPO HSA 40/2200				
Age	SUB	SUB + SP	SUB + CH	FAM
<30	\$431.68	\$1,257.78	\$934.68	\$1,411.61
30-39	\$532.28	\$1,485.59	\$1,035.28	\$1,636.76
40-49	\$712.19	\$1,570.22	\$1,091.17	\$1,814.00
50-54	\$958.64	\$2,009.88	\$1,255.11	\$2,145.08
55-59	\$1,181.12	\$2,481.48	\$1,474.95	\$2,610.87
60-64	\$1,538.82	\$3,077.10	\$1,831.36	\$3,203.58
65+	\$1,914.61	\$4,464.75	\$2,205.32	\$4,583.04

KP CS OOA 25/500				
Age	SUB	SUB + SP	SUB + CH	FAM
<30	\$843.34	\$2,457.23	\$1,826.03	\$2,757.76
30-39	\$1,039.88	\$2,902.30	\$2,022.56	\$3,197.63
40-49	\$1,391.36	\$3,067.64	\$2,131.75	\$3,543.91
50-54	\$1,872.82	\$3,926.58	\$2,452.03	\$4,190.71
55-59	\$2,307.49	\$4,847.91	\$2,881.50	\$5,100.70
60-64	\$3,006.29	\$6,011.54	\$3,577.81	\$6,258.62
65+	\$3,740.44	\$8,722.50	\$4,308.40	\$8,953.61

KP CS OOA 25/500				
Age	SUB	SUB + SP	SUB + CH	FAM
<30	\$674.67	\$1,965.78	\$1,460.82	\$2,206.21
30-39	\$831.90	\$2,321.84	\$1,618.05	\$2,558.10
40-49	\$1,113.09	\$2,454.11	\$1,705.40	\$2,835.13
50-54	\$1,498.26	\$3,141.26	\$1,961.62	\$3,352.57
55-59	\$1,845.99	\$3,878.33	\$2,305.20	\$4,080.56
60-64	\$2,405.03	\$4,809.23	\$2,862.25	\$5,006.90
65+	\$2,992.35	\$6,978.00	\$3,446.72	\$7,162.89

Jul-11 KPIC Small Group Monthly Standard Employee Risk Rates

PPO&Indemnity Plans

Area: 3

Southern CA KP Service Area

Area: 4

Southern CA Out-of-KP Service Area

PPO 40/1000				
Age	SUB	SUB + SP	SUB + CH	FAM
<30	\$410	\$1,194	\$888	\$1,340
30-39	\$505	\$1,410	\$983	\$1,554
40-49	\$676	\$1,491	\$1,036	\$1,722
50-54	\$910	\$1,908	\$1,191	\$2,036
55-59	\$1,121	\$2,355	\$1,400	\$2,478
60-64	\$1,461	\$2,921	\$1,739	\$3,041
65+	\$1,818	\$4,239	\$2,094	\$4,351

PPO HSA 40/2500				
Age	SUB	SUB + SP	SUB + CH	FAM
<30	\$379	\$1,104	\$821	\$1,239
30-39	\$467	\$1,304	\$909	\$1,437
40-49	\$625	\$1,378	\$958	\$1,592
50-54	\$842	\$1,765	\$1,102	\$1,884
55-59	\$1,037	\$2,179	\$1,295	\$2,293
60-64	\$1,351	\$2,702	\$1,608	\$2,813
65+	\$1,681	\$3,920	\$1,936	\$4,024

KP CS PPO 30/500				
Age	SUB	SUB + SP	SUB + CH	FAM
<30	\$526.47	\$1,533.96	\$1,139.92	\$1,721.56
30-39	\$649.16	\$1,811.79	\$1,262.61	\$1,996.15
40-49	\$868.57	\$1,915.01	\$1,330.77	\$2,212.32
50-54	\$1,169.13	\$2,451.21	\$1,530.71	\$2,616.10
55-59	\$1,440.48	\$3,026.36	\$1,798.81	\$3,184.17
60-64	\$1,876.71	\$3,752.77	\$2,233.49	\$3,907.01
65+	\$2,335.01	\$5,445.12	\$2,689.57	\$5,589.39

KP CS PPO 30/500				
Age	SUB	SUB + SP	SUB + CH	FAM
<30	\$473.82	\$1,380.56	\$1,025.93	\$1,549.40
30-39	\$584.24	\$1,630.61	\$1,136.35	\$1,796.54
40-49	\$781.71	\$1,723.51	\$1,197.69	\$1,991.09
50-54	\$1,052.22	\$2,206.09	\$1,377.64	\$2,354.49
55-59	\$1,296.43	\$2,723.72	\$1,618.93	\$2,865.75
60-64	\$1,689.04	\$3,377.49	\$2,010.14	\$3,516.31
65+	\$2,101.51	\$4,900.61	\$2,420.61	\$5,030.45

KP CS PPO HSA 40/2200				
Age	SUB	SUB + SP	SUB + CH	FAM
<30	\$448.55	\$1,306.93	\$971.21	\$1,466.77
30-39	\$553.08	\$1,543.65	\$1,075.74	\$1,700.72
40-49	\$740.02	\$1,631.59	\$1,133.82	\$1,884.90
50-54	\$996.10	\$2,088.43	\$1,304.16	\$2,228.92
55-59	\$1,227.29	\$2,578.46	\$1,532.59	\$2,712.91
60-64	\$1,598.96	\$3,197.36	\$1,902.93	\$3,328.78
65+	\$1,989.43	\$4,639.24	\$2,291.51	\$4,762.16

KP CS PPO HSA 40/2200				
Age	SUB	SUB + SP	SUB + CH	FAM
<30	\$403.70	\$1,176.24	\$874.09	\$1,320.09
30-39	\$497.77	\$1,389.29	\$968.17	\$1,530.65
40-49	\$666.02	\$1,468.43	\$1,020.44	\$1,696.41
50-54	\$896.49	\$1,879.59	\$1,173.74	\$2,006.03
55-59	\$1,104.56	\$2,320.61	\$1,379.33	\$2,441.62
60-64	\$1,439.06	\$2,877.62	\$1,712.64	\$2,995.90
65+	\$1,790.49	\$4,175.32	\$2,062.36	\$4,285.94

KP CS OOA 25/500				
Age	SUB	SUB + SP	SUB + CH	FAM
<30	\$785.38	\$2,288.35	\$1,700.52	\$2,568.22
30-39	\$968.41	\$2,702.83	\$1,883.55	\$2,977.85
40-49	\$1,295.73	\$2,856.80	\$1,985.24	\$3,300.33
50-54	\$1,744.10	\$3,656.71	\$2,283.51	\$3,902.68
55-59	\$2,148.90	\$4,514.72	\$2,683.46	\$4,750.13
60-64	\$2,799.67	\$5,598.37	\$3,331.91	\$5,828.47
65+	\$3,483.36	\$8,123.00	\$4,012.29	\$8,338.23

KP CS OOA 25/500				
Age	SUB	SUB + SP	SUB + CH	FAM
<30	\$628.30	\$1,830.68	\$1,360.42	\$2,054.58
30-39	\$774.73	\$2,162.26	\$1,506.84	\$2,382.28
40-49	\$1,036.58	\$2,285.44	\$1,588.19	\$2,640.26
50-54	\$1,395.28	\$2,925.37	\$1,826.81	\$3,122.14
55-59	\$1,719.12	\$3,611.78	\$2,146.77	\$3,800.10
60-64	\$2,239.74	\$4,478.70	\$2,665.53	\$4,662.78
65+	\$2,786.69	\$6,498.40	\$3,209.83	\$6,670.58

<i>SERFF Tracking Number:</i>	<i>KSPM-127108142</i>	<i>State:</i>	<i>California</i>
<i>Filing Company:</i>	<i>Kaiser Permanente Insurance Company</i>	<i>State Tracking Number:</i>	<i>PF-2011-00828</i>
<i>Company Tracking Number:</i>			
<i>TOI:</i>	<i>H16G Group Health - Major Medical</i>	<i>Sub-TOI:</i>	<i>H16G.003A Small Group Only - PPO</i>
<i>Product Name:</i>	<i>PPO</i>		
<i>Project Name/Number:</i>	<i>PPO Small Group 7/2011 Rates/</i>		

Supporting Document Schedules

	Item Status:	Status
		Date:

Satisfied - Item: Filing Cover Sheet

Comments:

Attachment:

07-01-11 PPO Rate Filing Letter.pdf

	Item Status:	Status
		Date:

Satisfied - Item: Document Submission Formset

Comments:

Attachment:

Document Formset - PPO 7-11 Rates.pdf

	Item Status:	Status
		Date:

Satisfied - Item: Rating Plans

Comments:

This rate filing complies with the statutory requirements shown above.

	Item Status:	Status
		Date:

Satisfied - Item: KP Actuarial Certification PPO
070111-Signed

Comments:

Actuarial Certification for PPO 7-2011 Rates

Attachment:

KP Actuarial Certification PPO 070111-Signed.pdf

	Item Status:	Status
		Date:

Satisfied - Item: RATE FILING FORM #663225 - 7-

SERFF Tracking Number: KSPM-127108142 State: California
Filing Company: Kaiser Permanente Insurance Company State Tracking Number: PF-2011-00828
Company Tracking Number:
TOI: H16G Group Health - Major Medical Sub-TOI: H16G.003A Small Group Only - PPO
Product Name: PPO
Project Name/Number: PPO Small Group 7/2011 Rates/
1-11 PPO

Comments:

California Rate Filing Form for PPO 7-2011 Rates

Attachment:

RATE FILING FORM #663225 - 7-1-11 PPO.pdf

Item Status:

Status

Date:

Satisfied - Item: Tables for PPO rate filing form Q20
and Q24

Comments:

Addendum to California Rate Filing Form for PPO 7-2011 Rates responsive to questions 20 and 24.

Attachment:

Tables for PPO rate filing form Q20 and Q24.pdf

Item Status:

Status

Date:

Satisfied - Item: CA RATE FILING SPREADSHEET
#648862 - PPO 7-1-11

Comments:

California Rate Filing Spreadsheet for PPO 7-2011 rates.

Attachment:

CA RATE FILING SPREADSHEET #648862 - PPO 7-1-11.XLS

Item Status:

Status

Date:

Satisfied - Item: CA PLAIN LANGUAGE
SPREADSHEET #648742 - PPO 7-
1-11

Comments:

California Plain Language Spreadsheet for PPO 7-2011 rates.

Attachment:

CA PLAIN LANGUAGE SPREADSHEET #648742 - PPO 7-1-11.XLS

Item Status:

Status

SERFF Tracking Number: KSPM-127108142 State: California
Filing Company: Kaiser Permanente Insurance Company State Tracking Number: PF-2011-00828
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TOI: H16G Group Health - Major Medical Sub-TOI: H16G.003A Small Group Only - PPO
Product Name: PPO
Project Name/Number: PPO Small Group 7/2011 Rates/

Date:

Satisfied - Item: January 2011 KPIC PPO Standard
Rates for filing

Comments:

January 2011 PPO Standard Rates responsive to questions 10 and 15 of California Rate Filing Form.

Attachment:

January 2011 KPIC PPO Standard Rates for filing.pdf

Item Status:

Status

Date:

Satisfied - Item: Jul-11 KP Small Group PPO
Increases

Comments:

July 2011 PPO Rate increases responsive to questions 10 and 15 of California Rate Filing Form.

Attachment:

Jul-11 KP Small Group PPO Increases.pdf

Item Status:

Status

Date:

Satisfied - Item: PlainLangDes - rate filing form v7 -
7-1-11-PPO

Comments:

California Plain Language Rate Filing Form for PPO 7-2011 rates.

Attachment:

PlainLangDes - rate filing form v7 - 7-1-11-PPO.pdf



KAISER PERMANENTE®

Kaiser Permanente Insurance Company

April 29, 2011

Ms. Marsha Seeley, Esq
Senior Staff Counsel
California Department of Insurance
Policy Approval Bureau
45 Fremont Street, 22nd Floor
San Francisco, CA 94105

FILED VIA SERFF

RE: Small Employer Group Health Insurance Rate Filing

California Insurer Number: 3743-2
NAIC Number: 60053
Form Number: KPIC-RATES-PPO-2011 (07)-CA

Dear Ms. Seeley:

The enclosed group rates are being filed pursuant to California Insurance Code §10717(b). The rates are for use with Kaiser Permanente Insurance Company's (KPIC) small employer group Participating Provider (PPO) product, both non-exchange plans, and plans offered through the California Choice exchange program in both the Northern and Southern California regions for new and renewing groups effective July 1, 2011.

Enclosed with this filing are the following documents:

1. California Rate Filing Form, including
 - a. Table with response to Q-20 and Q-24 of California Rate Filing Form
2. Spreadsheets with rate information responsive to Questions 10 & 15 of California Rate Filing Form:
 - a. July 2011 PPO Standard Rates
 - b. January 2011 PPO Standard Rates
 - c. July 2011 Small Group PPO Increases
3. California Rate Filing Spreadsheet
4. Actuarial Certification
5. California Plain-Language Filing Form
6. California Plain-Language Spreadsheet
7. California Document Submission formset

If you have any questions or require additional information, please call me at (818) 557-7907, fax at (818) 525-4398, or by e-mail at linda.a.brown@kp.org.

Sincerely,

Linda A. Brown
KPIC Consultant

Attachments

CALIFORNIA DOCUMENT SUBMISSION FORMSET

[Reset Form](#)

California Insurer Number: 3743-2 (NOT NAIC Number)		FOR DEPARTMENT USE ONLY		
Official Insurer Name: Kaiser Permanente Insurance Company		Our File #	Fee Code:	
Submitter and Complete Mailing Address: Linda A. Brown, KPIC Regulatory Dept. Kaiser Permanente Insurance Company 3100 Thorton Ave., 4th floor Burbank, CA 91504		Reviewer:		
Submission Date:		Dept Action Date:		
Document Form Number	Doc Type ("Policy," etc)	Document Coverage	Department Action	Fee
1 KPIC-RATES-PPO-2011 (07)-CA	Rates			
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				

INSTRUCTIONS: Complete the part of the form to the left of the double vertical line. Enter one document to a numbered line. Use additional formsets if necessary. Be accurate - the copy of this form that we return to you will be your only record of our action on your submission.

THIS IS NOT A BILL - DO NOT PAY. YOU WILL RECEIVE A SEPARATE FILING FEE INVOICE SHORTLY; REMIT FEES ONLY WITH THAT INVOICE.

Total \$

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Kaiser Permanente Insurance Company (KPIC)

Small Group PPO 7/1/2011 Rate Filing Actuarial Certification

Prepared for:
Kaiser Permanente Insurance Company

Prepared by:
Milliman, Inc.

Susan E. Pantely, FSA, MAAA
Consulting Actuary

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ACTUARIAL MEMORANDUM

KAISER PERMANENTE INSURANCE COMPANY

SMALL GROUP PPO POLICY FILING

Qualifications

I, Susan E. Pantely, am a member of the American Academy of Actuaries and meet its qualification standards for actuaries issuing statements of actuarial opinions in the United States. This actuarial certification is prepared on behalf of Kaiser Permanente Insurance Company (the "Company") to comply with California Insurance Code section 10181.6 (b) (2).

I am affiliated with Milliman, Inc. ("Milliman"), an independent actuarial consulting firm that is not affiliated with, nor a subsidiary, nor in any way owned or controlled by a health plan, health insurer or a trade association of health plans or insurers.

Scope

As a consulting actuary with Milliman, I have written this actuarial memorandum at the request of the Company to discuss the rate filing for its small group PPO policies. The proposed rates included in this filing will be effective for new and existing members enrolling or renewing on or after July 1, 2011. Rates are guaranteed for 12 months following the effective date or renewal date.

This statement of opinion complies with the Actuarial Standards of Practice 8 and 41, promulgated by the Actuarial Standards Board.

Reliance

I have relied upon information provided by Mr. Boris Shekhter, FSA, MAAA of Kaiser Foundation Health Plan. While I reviewed the information for reasonableness, I did not audit the underlying data for correctness. **Appendix A** contains Statement Regarding Accuracy and Completeness of the Underlying Data Sources provided to me as part of my review, and forms a part of this opinion.

Testing Procedures

As part of my review, I followed the testing procedures outlined in **Appendix B**.

Opinion – Actuarially Sound in the Aggregate

In my opinion, the proposed small group PPO premium rates for business in California are actuarially sound in the aggregate because the total of projected premium income, expected reinsurance recoveries, governmental risk adjustment cash flows, and investment income is adequate to provide for expected health benefit costs, settlement costs, marketing and administrative expenses, and cost of required capital as provided to me by the Company.

Opinion – Reasonable Premium Rate Increases

In my opinion, the proposed premium rate increases are reasonable. I based my opinion of reasonable rate increases on the factors below. The factors I considered were specifically required in Section A of the SB 1163 Guidance, titled "Unreasonable Rate Increases." The order of discussion below follows the order of factors listed in Section A of the SB 1163 Guidance. The assumptions, data used and other relevant information used in the rating filing development are included in **Appendix C**.

1. The annual premium rate increases by product are shown as **Appendix C-1**.
2. The choice of assumptions relating to per capita increases and other assumptions is reasonable.
3. The proposed rates result in rates between insured within similar risk categories that are permissible under applicable California law, and the premium differences correspond to differences in expected claims costs between allowable risk classes.

Appendix C-2 shows member months, member dues, incurred claims, and loss ratios for the time period 1/1/2010 – 12/31/2010.

4. The premiums rate increase is the same for each premium rate and there are no changes in rating factors. Therefore, the premium rate increase is the same across risk categories and not overly burdensome on any particular group.
5. As stated above, in my opinion, the proposed small group PPO premium rates for business in California are actuarially sound. Therefore, the cumulative impact of the filed rate increases, combined with the previous increases, result in reasonable premium rates.

Factors Not Considered

Section A of the SB 1163 Guidance also listed the following items to review. I did not consider them in forming my opinion of a reasonable rate increase.

1. Due to low membership, the credible claims experience data is not available. Therefore, a reliable loss ratio cannot be projected.
2. Due to low membership, credible experience data for the prior three years is not available.
3. The company's rate of return, evaluated on a return-on-equity basis, for the prior three years and anticipated rate of return for the following year.
4. The company's employee and executive compensation.

The employee and executive compensation is part of the overall administrative expense assumed in the premium development. I did not review the compensation levels of the staff or executives and offer no opinion on the appropriateness of the compensation levels.

5. The degree to which the rate increase exceeds the rate of medical cost inflation index.


The proposed 12.0% annual premium rate increase is greater than the medical care component of the CPI for 2010 of 3.4%.

While the proposed rate increase is larger than the medical costs index, material differences between the two measures provide an explanation as to the reasonability of the rate increase. The medical component of the CPI measure prices inflation at the retail level. That is, it measures the prices paid for a fixed market basket of medical goods and services. The medical CPI is a retrospective measure and does not account for expected future spending, which is the basis for premium rate setting.

The following are examples of factors that are included in the premium rate increase that are not included in the CPI measure:

- Increased per capita utilization of services
 - Cost for new technologies
 - Changes in provider practice patterns or the intensity of the service being provided
 - Changes in enrollment mix
 - New mandated benefits
 - Adverse selection
 - Deductible leveraging effect
 - Changes in provider mix and negotiated provider payment arrangement
6. The insurer's surplus condition and dividend history.
7. The nature and amount of transactions between the filing insurer and any affiliates over the prior three years.

Respectfully Submitted,



Susan E. Pantely, FSA, MAAA
Member of the American Academy of Actuaries
April 27, 2011

APPENDIX A
STATEMENT REGARDING ACCURACY AND COMPLETENESS
OF THE UNDERLYING DATA SOURCES

Items Relied upon During Testing by Milliman:

- 2010 member dues, member months, and medical costs.
- July 2011 California small group proposed rate increases by PPO product.
- July 2011 California small group PPO Standard rates.

The sources identified above were relied upon by Milliman, Inc. in preparing this statement of actuarial opinion.

I, Boris Shekhter, hereby affirm that the data sources identified above, and attached to this statement, were prepared under my direction, and to the best of my knowledge are accurate and complete unless otherwise noted below.

4/27/11
Date

B. Shekhter
Signature

Boris Shekhter, FSA, MAAA
Actuarial Director
Kaiser Foundation Health Plan

APPENDIX B

DESCRIPTION OF TESTING PROCEDURES

1. Due to low membership, the experience data is not credible enough to develop premium rates. Therefore, I tested the reasonability of rates by performing an independent pricing of benefits for select plans based on the Milliman Health Cost Guidelines™ (HCGs).

The Milliman HCGs provide a flexible but consistent basis for the determination of claim costs and premium rates for a wide variety of health benefit plans. The HCGs are a cooperative effort of all Milliman actuaries and represent a combination of their experience, judgment, and research. In most instances, cost assumptions are based on our evaluation of several data sources and not specifically attributable to a single source.

Using the HCGs I estimated the required premium rates if the Kaiser benefit design was offered by a traditional commercial health plan that contracts with independent medical providers to provide services. My assumptions for average provider reimbursement and utilization levels were based on my experience with well managed PPO plans in the California market. The actual Kaiser premiums are lower than my estimated premium rates. Based on this, I concluded the rates are not excessive in the market.

I also compared the PPO rates to Kaiser Foundation Health Plan's HMO and POS rates by adjusting for benefit differentials between the plans. The resulting rate relativities were reasonable based on benefit differentials and expected provider cost differences.

I also reviewed the rate relativities by region and found them to be reasonable.

2. The information provided by KFIC was tested for reasonableness and consistency. Our testing included, but was not limited to, reconciling data from various reports and comparisons across time periods.

APPENDIX C-1 ANNUAL RATE INCREASE PERCENTAGE

The following exhibit shows the annual rate increase percentage included in the July 1, 2011 filing by product.

PLAN	JUL-11 OVER JUL-10
PPO 40/1000	12.0%
PPO 40/2500 with HSA	12.0%
KPCS PPO 30/500	12.0%
KPCS PPO 40/2200 with HSA	12.0%
KPCS OOA Indemnity 25/500	12.0%

APPENDIX C-2 EXPERIENCE VOLUME

The following exhibit shows member months, member dues, incurred claims, and loss ratio for the time period 1/1/2010 – 12/31/2010.

EXPERIENCE BY PRODUCT CALENDAR YEAR 2010				
	Member Months	Incurred Claims	Member Dues	Loss Ratio
PPO	7,459	\$ 3,929,414	\$ 3,619,473	108.6%
PPO HSA	1,050	996,165	462,551	215.4%
Choice Solutions PPO	966	253,150	627,723	40.3%
Choice Solutions HSA	160	527	104,748	0.4%
Choice Solutions Indemnity	3	0	2,909	0.0%
Total	9,638	\$ 5,179,257	\$ 4,817,404	107.5%

DEPARTMENT OF INSURANCE**Legal Division**

45 Fremont Street, 24th Floor
San Francisco CA 94105



California Rate Filing Form
For Individual and Small Group Health Insurance
Rate Filings for Existing Products, Version 2
(do not use this form for initial filings for new product rates)

The rate filing submission should include:

- 1) This form
- 2) A California Rate Filing Spreadsheet
- 3) An actuarial certification
- 4) A spreadsheet with rate information responsive to Questions 10 & 15, below
- 5) A California Plain-Language Filing Form
- 6) A California Plain-Language Spreadsheet

1) Company Name:

Kaiser Permanente Insurance Company

2) Number of policy forms covered by the filing: One

3) Policy form numbers covered by the filing:

List all of the policy form numbers covered by this filing in column "A" of the "California Rate Filing Spreadsheet". List all product names associated with each policy form number in column "B."

4) Product types covered by the filing. Selected from the following:

<input type="radio"/>	HMO (Health Maintenance Organization)
<input checked="" type="radio"/>	PPO (Preferred Provider Organization)
<input type="radio"/>	EPO (Exclusive Provider Organization)
<input type="radio"/>	POS (Point of Service)
<input type="radio"/>	FFS (Fee for Service)
<input type="radio"/>	Other (describe) _____

- 5) Segment type. One of the following:

<input checked="" type="radio"/>	Small Group (2-50 employees)
<input type="radio"/>	Individual

Note: Large Group, Small Group, and Individual filings should not be combined within a single filing.

- 6) Plan/Insurer Type. One of the following: for-profit company, not-for-profit company

<input checked="" type="radio"/>	For-profit company
<input type="radio"/>	Not-for-profit company

- 7) Whether the products are open or closed. List each open or closed product by policy form number.

For each policy form number, indicate in column "C" of the California Rate Filing Spreadsheet whether the products are open or closed.

If all policy forms listed are open, check here: ☒

If all products listed are closed, check here: ☐

If only some policy forms listed are closed, check here: ☐

- 8) Enrollment:

In column "D" of the California Rate Filing Spreadsheet, state the number of lives, including dependents, covered by each product as of the end of the latest month for which the data has been compiled.

- 9) Insured months in each policy form

In column "E" of the California Rate Filing Spreadsheet, state the number of insured (or member) months for the experience period on which the rates were based. (Does not apply to rates for new products.)

- 10) Annual Rate

In a separate spreadsheet, for each product included in the filing, show the current and proposed annual premium rates for each rating cell.

- 11) Total earned premium

For each policy form list:

In column "F" of the California Rate Filing Spreadsheet, state the experience period on which rates are based,

In column "G" of the California Rate Filing Spreadsheet, state the period for which rates are to be effective,

In column "H" of the California Rate Filing Spreadsheet, state the total premium earned for the experience period on which the rates are based.

- 12) In column "I" of the California Rate Filing Spreadsheet, state the total dollar amount of incurred claims in each policy form for the experience period on which the rates are based.

If helpful to understanding the basis for the filed rate increases, the insurer may, but is not required to, disaggregate incurred claim data into the aggregate benefit categories listed in item 18 below.

- 13) In column "J" of the CA Rate Filing Spreadsheet, state the average rate increase initially requested

The weighted average of the proposed rate increases included in the filing, weighting the increases by the number of covered lives for each product (per item 8, above). Rates for new products are not included in this calculation, as they have a weight of zero. (Does not apply to rates for new products.)

- 14) Review category: One of the following:

<input type="radio"/>	Initial Filing for New Product
<input checked="" type="radio"/>	Filing for Existing Product
<input type="radio"/>	Resubmission

Resubmissions should be submitted through SERFF under the same state filing number and SERFF tracking number assigned to the original submission of this filing. Do not submit resubmissions as a new filing.

- 15) Average rate of increase

In those instances in which there is a revision to the rates requested after initial submission, the revision should be submitted as an amendment to the original submission of this filing under the rate/rule form tab. Submit a revised California Rate Filing Form, a revised spreadsheet responsive to Question 10, and a revised California Rate Filing Spreadsheet, completing columns A, B, and J. Also, in the case of a resubmission, update the information under the "company rate information" field under the "Rate/Rule Schedule" tab in SERFF. The average rate of increase is a weighted average, calculated as in item 13, above.

- 16) Effective date of rate increase: July 1, 2011

The earliest anticipated date that the proposed rate increase, or new product rate, will take effect for a policyholder.

- 17) Number of policyholders or insureds affected by each policy form

This information was provided in item 8, above, and need not be repeated.

- 18) Overall medical trend factor and trend factors by aggregate benefit category:

Overall Medical Trend Factor

“Overall” means the weighted average of trend factors used to determine rate increases included in the filing, weighting the factor for each aggregate benefit category by the amount of projected medical costs attributable to that category.

9.8%

Medical Trend Factor by Aggregate Benefit Category

The aggregate benefit categories are each of the following – hospital inpatient, hospital outpatient (including emergency room), physician and other professional services, prescription drugs from pharmacies, laboratory services (other than hospital inpatient), radiology services (other than hospital inpatient), other (describe).

Hospital Inpatient	10%
Hospital Outpatient (including ER)	12%
Physician/other professional services	8%
Prescription Drug	9%
Laboratory (other than inpatient)	8%
Radiology (other than inpatient)	8%
Other (describe)	8% (Ambulance, DME, Home Health, etc.) Due to the extremely low membership in this product, trends in the table are estimates based on the national data found in special actuarial literature.

Optional Medical Trend Factor by Aggregate Benefit Category by Geographic Region

The insurer may, but is not required to, aggregate additional data in major geographic regions of the state. If the insurer chooses to so aggregate, the major geographic regions of the state are: Northern California (consisting of Monterey, Kings, Tulare, and Inyo counties, and all counties to the north), and Southern California (consisting of San Luis Obispo, Kern, and San Bernardino counties, and all counties to the south).

	North	South
Hospital Inpatient		
Hospital Outpatient (including ER)		
Physician/other professional services		
Prescription Drug		
Laboratory (other than inpatient)		
Radiology (other than inpatient)		
Other (describe)		

19) Projected medical trend

Use the same aggregate benefit categories used in item 18 –hospital inpatient, hospital outpatient (including emergency room), physician and other professional services, prescription drugs from pharmacies, laboratory services (other than hospital inpatient), radiology services (other than Hospital inpatient), other (describe). Furthermore, within each aggregate category quantify the sources of trend, i.e. use of services, price inflation, and fees and risk.

Projected Medical Trend by Aggregate Benefit Category

Hospital Inpatient	Trend attributable to use of services: 1%
	Trend attributable to price inflation: 9%
	Trend attributable to fees and risk: n/a
Hospital Outpatient (including ER)	Trend attributable to use of services: 5%
	Trend attributable to price inflation: 7%
	Trend attributable to fees and risk: n/a
Physician/other professional services	Trend attributable to use of services: 2%
	Trend attributable to price inflation: 6%
	Trend attributable to fees and risk: n/a

Prescription Drug	Trend attributable to use of services: n/a
	Trend attributable to price inflation: Overall trend 9%
	Trend attributable to fees and risk: n/a
Laboratory (other than inpatient)	Trend attributable to use of services: 2%
	Trend attributable to price inflation: 6%
	Trend attributable to fees and risk: n/a
Radiology (other than inpatient)	Trend attributable to use of services: 2%
	Trend attributable to price inflation: 6%
	Trend attributable to fees and risk: n/a
Other (describe)	Due to the extremely low membership in this product, trends in the table are estimates based on the national data found in special actuarial literature.

20) Comparison of claims cost and rate of changes over time

For each proposed rate increase, provide the projected annualized incurred claims cost per insured for the period covered by the proposed rate, the historical incurred claims cost per insured for the most recent 12 months of the experience period on which the rates were based, and the historical incurred claims cost per insured for the next two most recent 12 month periods. Also, compare the rate of change of claims costs over all of the projected and historical periods for which information is provided. Show all claim costs according to aggregate benefit category.

- 21) Describe any changes in enrollee/insured cost-sharing, compared to the prior year, associated with the submitted rate filing, including both the absolute amount of the change, and the percentage change, and quantify the impact of each change on each of the rates included in the filing. Also describe any changes in benefits exempted from cost-sharing, as well as any newly-imposed cost-sharing.

KPIC has not made any changes to enrollee cost sharing in July 2011 that were not present in December 2010 benefit plans.

- 22) Describe any changes in enrollee/insured benefits, including but not limited to hospital inpatient, hospital outpatient (including emergency services), physician and other professional services, laboratory services, radiology services, and other benefits (describe), compared to the prior year, associated with the submitted rate filing, and quantify the impact of each change on each of the rates included in the filing.

The Plan has not made any changes to enrollee benefit plans in July 2011 that were not present in December 2010 benefit plans.

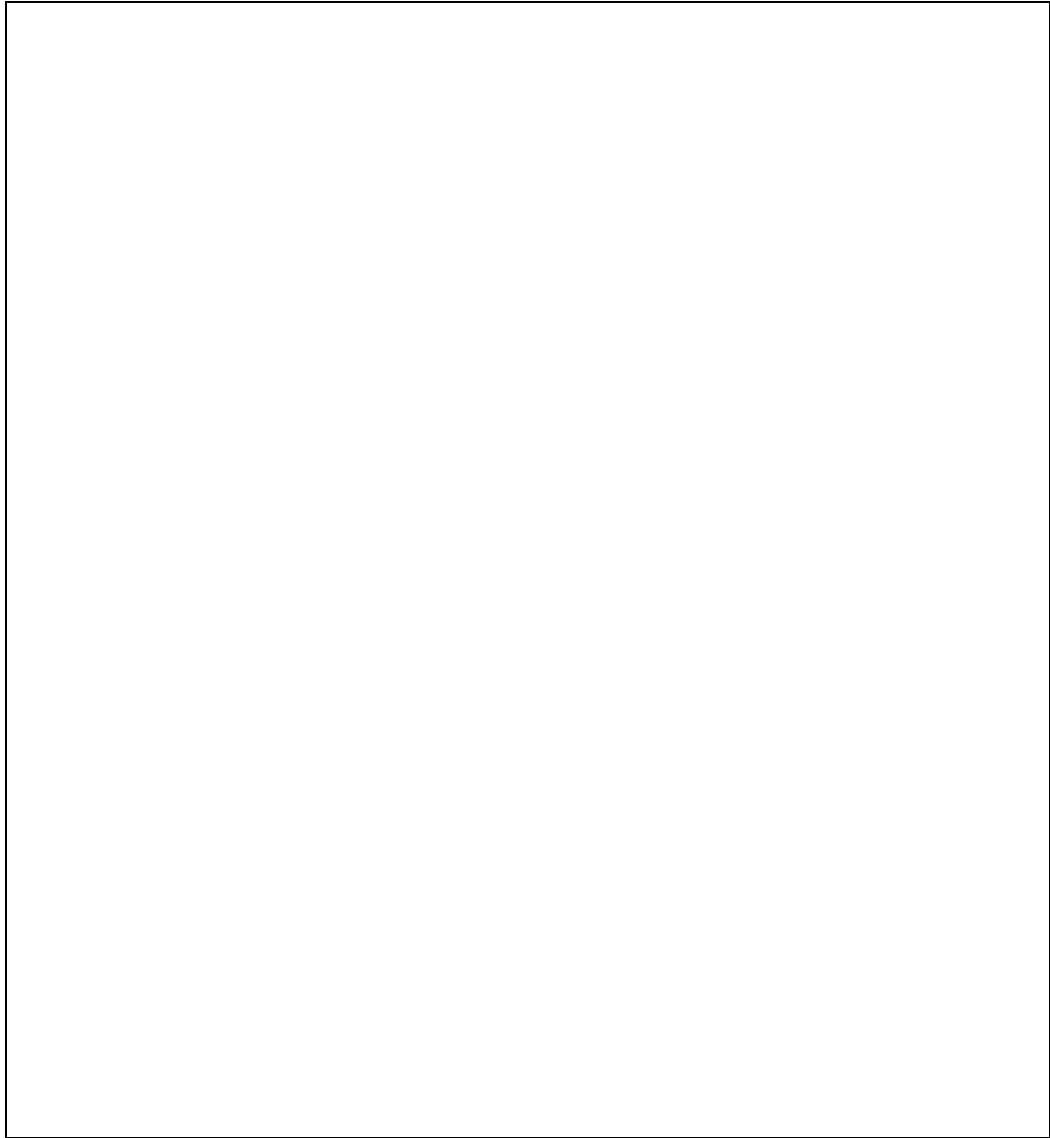
- 23) Submit the required actuarial certification, described in Guidance 1163:2, under the "Supporting Documentation" tab in SERFF.

☒ Submitted

24) Changes in administrative costs

Administrative costs are the costs defined in Sections 158.150, 158.151, 158.160, and 158.161 of 45 Code of Federal Regulations Subtitle A, Subchapter B, in the interim final rule issued by the Department of Health and Human Services on December 1, 2010 at 75 Federal Register 74924-74926. Using those definitions, describe the administrative costs for the policy forms included in this filing for the year prior to the requested rate increase, then also describe any changes in administrative costs, compared to the prior year, associated with the submitted rate filing, and quantify the impact of each change on each of the rates included in the filing. Changes should be shown separately for the costs defined by each of the sections of Code of Federal Regulations listed above in this item. (Does not apply to rates for new products.)

26) Comments. Place any needed comments here.

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#632743v16

KPIC PPO RATE FILING FORM**Question 20**

Incurred Period	Incurred Claims PMPM	PMPM Trend
1/1/2009 - 12/31/2009 (historical data)	426.36	
1/1/2010 - 12/31/2010 (base period data)	537.38	26.0%
7/1/2011 - 6/30/2012 (rate period projected)*	618.14	9.8%

* trend annualized

Question 24

Incurred Period	Administrative Cost PMPM	PMPM Trend
1/1/2009 - 12/31/2009 (historical data)	79.96	
1/1/2010 - 12/31/2010 (base period data)	85.25	6.6%
7/1/2011 - 6/30/2012 (rate period projected)*	93.03	6.0%

* trend annualized

SERFF Tracking Number: *KSPM-127108142* *State:* *California*
Filing Company: *Kaiser Permanente Insurance Company* *State Tracking Number:* *PF-2011-00828*
Company Tracking Number:
TOI: *H16G Group Health - Major Medical* *Sub-TOI:* *H16G.003A Small Group Only - PPO*
Product Name: *PPO*
Project Name/Number: *PPO Small Group 7/2011 Rates/*

Attachment "CA RATE FILING SPREADSHEET #648862 - PPO 7-1-11.XLS" is not a PDF document and cannot be reproduced here.

	A	B	C	D	E	F	G	H	I
1	California Rate Filing Spreadsheet, v. 1								
2	Company Name: Kaiser Permanente Insurance Company								
3	Company ID number: 3743-2								
4	SERFF ID number for this filing: KSPM-127108142								
5	Policy Form Number	Product Name	Open or closed?	Enrollment	Insured months in each policy form	Experience Period on Which Rates are Based	Period for which rates are to be effective	Total premium earned during the experience period on which the rates are based	Total dollar amount of claims incurred during the experience period on which the rates are based
6	GP-OOA-CA	Small employer group Participating Provider (PPO)	Open	644	7,459	CY 2010	7/1/11 - 6/30/12	3,619,473	3,929,414
7	GP-OOA-CA	Small employer group Participating Provider (PPO)HSA	Open	90	1,050	CY 2010	7/1/11 - 6/30/12	462,551	996,165
8	GP-OOA-CA	KP Choice Solutions Participating Provider (PPO)	Open	65	966	CY 2010	7/1/11 - 6/30/12	627,723	253,150
9	GP-OOA-CA	KP Choice Solutions Participating Provider (PPO)HSA	Open	13	160	CY 2010	7/1/11 - 6/30/12	104,748	527
10	GP-OOA-CA	KP Choice Solutions OOA Indemnity	Open	0	3	CY 2010	7/1/11 - 6/30/12	2,909	0

	J	K
1		
2		
3		
4		
5	Average rate increase (weighted average)	Comments
6	7.5% over Jan-11, 12.0% over Jul-10	The rates presented in this filing are intended to apply to groups renewing or enrolling in Jul - Dec 2011. In both cases, the rates will be paid for 12 months.
7	7.5% over Jan-11, 12.0% over Jul-10	
8	7.5% over Jan-11, 12.0% over Jul-10	
9	7.5% over Jan-11, 12.0% over Jul-10	
10	7.5% over Jan-11, 12.0% over Jul-10	

SERFF Tracking Number: *KSPM-127108142* *State:* *California*
Filing Company: *Kaiser Permanente Insurance Company* *State Tracking Number:* *PF-2011-00828*
Company Tracking Number:
TOI: *H16G Group Health - Major Medical* *Sub-TOI:* *H16G.003A Small Group Only - PPO*
Product Name: *PPO*
Project Name/Number: *PPO Small Group 7/2011 Rates/*

Attachment "CA PLAIN LANGUAGE SPREADSHEET #648742 - PPO 7-1-11.XLS" is not a PDF document and cannot be reproduced here.

	A	B	C	D	E	F	G	H
1	CA PLAIN LANGUAGE SPREADSHEET v. 1							
2	Company Name: Kaiser Permanente Insurance Company							
3	Company ID number for this filing: 3743-2							
4	SERFF ID number for this filing: KSPM-127108142							
5	For the expense period on which the rates are based, premium attributed to:							
6	Policy Form Numbers	Marketing Names	Medical costs pmpm prior to rate increase (CY 2010)	Medical costs pmpm after rate increase (Jul-11 to Jun-12)	Administrative costs pmpm prior to rate increase (CY 2010)	Administrative costs pmpm after rate increase (Jul-11 to Jun-12)	Profit/margin projected prior to rate increase (CY 2010)	Profit/margin projected after rate increase (Jul-11 to Jun-12)
7	GP-OOA-CA	Small Group Participating Provider Organization (including KP Choice Solution) Plans	\$537.38	\$618.14	\$85.25	\$93.03	-24.6%	-20.3%

	I
1	
2	
3	
4	
5	
6	Comments
7	Extremely low membership in this product (less than 1,000 members as of Dec-10) does not support development of credible projections.

Jan-11 KPIC Small Group Monthly Standard Employee Risk Rates

PPO&Indemnity Plans

Area: 1

Northern CA KP Service Area

Area: 2

Northern CA Out-of-KP Service Area and Out-of-State

PPO 40/1000				
Age	SUB	SUB + SP	SUB + CH	FAM
<30	\$408	\$1,188	\$883	\$1,333
30-39	\$503	\$1,403	\$978	\$1,546
40-49	\$673	\$1,483	\$1,031	\$1,713
50-54	\$905	\$1,898	\$1,185	\$2,026
55-59	\$1,115	\$2,343	\$1,392	\$2,465
60-64	\$1,453	\$2,906	\$1,729	\$3,025
65+	\$1,808	\$4,216	\$2,083	\$4,328

PPO HSA 40/2500				
Age	SUB	SUB + SP	SUB + CH	FAM
<30	\$377	\$1,099	\$816	\$1,233
30-39	\$465	\$1,298	\$904	\$1,430
40-49	\$622	\$1,371	\$953	\$1,584
50-54	\$837	\$1,755	\$1,096	\$1,873
55-59	\$1,032	\$2,168	\$1,289	\$2,281
60-64	\$1,344	\$2,688	\$1,600	\$2,798
65+	\$1,672	\$3,900	\$1,926	\$4,003

KP CS PPO 30/500				
Age	SUB	SUB + SP	SUB + CH	FAM
<30	\$523.68	\$1,525.85	\$1,133.89	\$1,712.47
30-39	\$645.73	\$1,802.22	\$1,255.94	\$1,985.61
40-49	\$863.98	\$1,904.89	\$1,323.74	\$2,200.63
50-54	\$1,162.95	\$2,438.26	\$1,522.62	\$2,602.28
55-59	\$1,432.87	\$3,010.37	\$1,789.31	\$3,167.35
60-64	\$1,866.79	\$3,732.94	\$2,221.69	\$3,886.37
65+	\$2,322.68	\$5,416.35	\$2,675.36	\$5,559.86

KP CS PPO HSA 40/2200				
Age	SUB	SUB + SP	SUB + CH	FAM
<30	\$446.18	\$1,300.02	\$966.08	\$1,459.02
30-39	\$550.16	\$1,535.49	\$1,070.06	\$1,691.74
40-49	\$736.11	\$1,622.97	\$1,127.82	\$1,874.94
50-54	\$990.84	\$2,077.40	\$1,297.27	\$2,217.14
55-59	\$1,220.80	\$2,564.84	\$1,524.49	\$2,698.58
60-64	\$1,590.51	\$3,180.47	\$1,892.88	\$3,311.19
65+	\$1,978.92	\$4,614.73	\$2,279.41	\$4,737.00

KP CS OOA 25/500				
Age	SUB	SUB + SP	SUB + CH	FAM
<30	\$784.50	\$2,285.80	\$1,698.63	\$2,565.36
30-39	\$967.33	\$2,699.81	\$1,881.45	\$2,974.54
40-49	\$1,294.29	\$2,853.62	\$1,983.02	\$3,296.66
50-54	\$1,742.16	\$3,652.63	\$2,280.96	\$3,898.33
55-59	\$2,146.50	\$4,509.69	\$2,680.47	\$4,744.84
60-64	\$2,796.55	\$5,592.13	\$3,328.20	\$5,821.97
65+	\$3,479.48	\$8,113.95	\$4,007.82	\$8,328.94

KP CS PPO 30/500				
Age	SUB	SUB + SP	SUB + CH	FAM
<30	\$471.31	\$1,373.27	\$1,020.50	\$1,541.22
30-39	\$581.16	\$1,622.00	\$1,130.35	\$1,787.05
40-49	\$777.58	\$1,714.40	\$1,191.37	\$1,980.57
50-54	\$1,046.66	\$2,194.43	\$1,370.36	\$2,342.05
55-59	\$1,289.58	\$2,709.33	\$1,610.38	\$2,850.62
60-64	\$1,680.11	\$3,359.65	\$1,999.52	\$3,497.73
65+	\$2,090.41	\$4,874.72	\$2,407.82	\$5,003.87

KP CS PPO HSA 40/2200				
Age	SUB	SUB + SP	SUB + CH	FAM
<30	\$401.56	\$1,170.02	\$869.47	\$1,313.12
30-39	\$495.14	\$1,381.94	\$963.05	\$1,522.57
40-49	\$662.50	\$1,460.67	\$1,015.04	\$1,687.45
50-54	\$891.76	\$1,869.66	\$1,167.54	\$1,995.43
55-59	\$1,098.72	\$2,308.36	\$1,372.04	\$2,428.72
60-64	\$1,431.46	\$2,862.42	\$1,703.59	\$2,980.07
65+	\$1,781.03	\$4,153.26	\$2,051.47	\$4,263.30

KP CS OOA 25/500				
Age	SUB	SUB + SP	SUB + CH	FAM
<30	\$627.60	\$1,828.64	\$1,358.90	\$2,052.29
30-39	\$773.86	\$2,159.85	\$1,505.16	\$2,379.63
40-49	\$1,035.43	\$2,282.90	\$1,586.42	\$2,637.33
50-54	\$1,393.73	\$2,922.10	\$1,824.77	\$3,118.66
55-59	\$1,717.20	\$3,607.75	\$2,144.38	\$3,795.87
60-64	\$2,237.24	\$4,473.70	\$2,662.56	\$4,657.58
65+	\$2,783.58	\$6,491.16	\$3,206.26	\$6,663.15

Jan-11 KPIC Small Group Monthly Standard Employee Risk Rates

PPO&Indemnity Plans

Area: 3

Southern CA KP Service Area

Area: 4

Southern CA Out-of-KP Service Area

PPO 40/1000				
Age	SUB	SUB + SP	SUB + CH	FAM
<30	\$381	\$1,111	\$825	\$1,247
30-39	\$470	\$1,312	\$914	\$1,445
40-49	\$629	\$1,387	\$964	\$1,602
50-54	\$847	\$1,775	\$1,109	\$1,894
55-59	\$1,043	\$2,191	\$1,302	\$2,305
60-64	\$1,359	\$2,717	\$1,617	\$2,829
65+	\$1,691	\$3,943	\$1,948	\$4,047

PPO HSA 40/2500				
Age	SUB	SUB + SP	SUB + CH	FAM
<30	\$353	\$1,028	\$764	\$1,154
30-39	\$435	\$1,214	\$846	\$1,337
40-49	\$582	\$1,283	\$892	\$1,482
50-54	\$783	\$1,642	\$1,025	\$1,752
55-59	\$965	\$2,027	\$1,205	\$2,133
60-64	\$1,257	\$2,514	\$1,496	\$2,617
65+	\$1,564	\$3,647	\$1,801	\$3,744

KP CS PPO 30/500				
Age	SUB	SUB + SP	SUB + CH	FAM
<30	\$489.74	\$1,426.94	\$1,060.39	\$1,601.45
30-39	\$603.87	\$1,685.39	\$1,174.52	\$1,856.89
40-49	\$807.97	\$1,781.40	\$1,237.93	\$2,057.97
50-54	\$1,087.56	\$2,280.20	\$1,423.92	\$2,433.58
55-59	\$1,339.98	\$2,815.22	\$1,673.31	\$2,962.02
60-64	\$1,745.78	\$3,490.95	\$2,077.66	\$3,634.43
65+	\$2,172.11	\$5,065.23	\$2,501.93	\$5,199.43

KP CS PPO 30/500				
Age	SUB	SUB + SP	SUB + CH	FAM
<30	\$440.77	\$1,284.25	\$954.35	\$1,441.31
30-39	\$543.48	\$1,516.85	\$1,057.07	\$1,671.20
40-49	\$727.17	\$1,603.26	\$1,114.14	\$1,852.17
50-54	\$978.80	\$2,052.18	\$1,281.53	\$2,190.22
55-59	\$1,205.98	\$2,533.70	\$1,505.98	\$2,665.82
60-64	\$1,571.20	\$3,141.86	\$1,869.89	\$3,270.99
65+	\$1,954.90	\$4,558.71	\$2,251.74	\$4,679.49

KP CS PPO HSA 40/2200				
Age	SUB	SUB + SP	SUB + CH	FAM
<30	\$417.25	\$1,215.75	\$903.45	\$1,364.44
30-39	\$514.49	\$1,435.95	\$1,000.69	\$1,582.07
40-49	\$688.39	\$1,517.76	\$1,054.71	\$1,753.39
50-54	\$926.60	\$1,942.73	\$1,213.18	\$2,073.41
55-59	\$1,141.66	\$2,398.57	\$1,425.66	\$2,523.64
60-64	\$1,487.40	\$2,974.29	\$1,770.17	\$3,096.54
65+	\$1,850.63	\$4,315.57	\$2,131.64	\$4,429.92

KP CS PPO HSA 40/2200				
Age	SUB	SUB + SP	SUB + CH	FAM
<30	\$375.53	\$1,094.18	\$813.11	\$1,228.00
30-39	\$463.04	\$1,292.36	\$900.62	\$1,423.86
40-49	\$619.55	\$1,365.98	\$949.24	\$1,578.05
50-54	\$833.94	\$1,748.46	\$1,091.86	\$1,866.07
55-59	\$1,027.49	\$2,158.71	\$1,283.09	\$2,271.28
60-64	\$1,338.66	\$2,676.86	\$1,593.15	\$2,786.89
65+	\$1,665.57	\$3,884.01	\$1,918.48	\$3,986.93

KP CS OOA 25/500				
Age	SUB	SUB + SP	SUB + CH	FAM
<30	\$730.58	\$2,128.70	\$1,581.88	\$2,389.04
30-39	\$900.84	\$2,514.26	\$1,752.14	\$2,770.10
40-49	\$1,205.33	\$2,657.49	\$1,846.73	\$3,070.08
50-54	\$1,622.42	\$3,401.59	\$2,124.19	\$3,630.40
55-59	\$1,998.97	\$4,199.74	\$2,496.24	\$4,418.73
60-64	\$2,604.34	\$5,207.78	\$3,099.45	\$5,421.83
65+	\$3,240.34	\$7,556.28	\$3,732.36	\$7,756.49

KP CS OOA 25/500				
Age	SUB	SUB + SP	SUB + CH	FAM
<30	\$584.46	\$1,702.96	\$1,265.50	\$1,911.23
30-39	\$720.67	\$2,011.41	\$1,401.71	\$2,216.08
40-49	\$964.26	\$2,125.99	\$1,477.38	\$2,456.06
50-54	\$1,297.94	\$2,721.27	\$1,699.35	\$2,904.32
55-59	\$1,599.18	\$3,359.79	\$1,996.99	\$3,534.98
60-64	\$2,083.47	\$4,166.22	\$2,479.56	\$4,337.46
65+	\$2,592.27	\$6,045.02	\$2,985.89	\$6,205.19

KPIC SMALL GROUP JULY 2011 PPO RATE CHANGES

<u>Plan</u>	<u>Jul-11 over Jan-11</u>	<u>Jul-11 over Jul-10</u>
PPO 40/1000	7.5%	12.0%
PPO 40/2500 with HSA	7.5%	12.0%
KPCS PPO 30/500	7.5%	12.0%
KPCS PPO 40/2200 with HSA	7.5%	12.0%
KPCS OOA Indemnity 25/500	7.5%	12.0%

DEPARTMENT OF INSURANCE

Legal Division

45 Fremont Street, 24th Floor
San Francisco CA 94105



**California Plain-Language
Rate Filing Description**
[for Web site posting, Health & Safety
Code 1385.07(d), Insurance Code 10181.7(d)]

Company Name:

Kaiser Permanente Insurance Company

SERFF Tracking Number

KSPM-127108142

Department File Number: (will be completed by Department)

1. Justification for any unreasonable rate increases.

(Include all information as to why the rate increase is justified. Attach supporting documentation to this PDF file.)

Not applicable

2) Overall annual medical trend factor assumptions for all benefits

9.8%

3) Actual Costs by Aggregate Benefit Category

Hospital Inpatient	Dollar Cost: \$235.71 pmpm
	Cost as Percentage of Medicare: not available
Hospital Outpatient (including ER)	Dollar Cost: \$128.81 pmpm
	Cost as Percentage of Medicare: not available
Physician/other professional services	Dollar Cost: \$153.12 pmpm
	Cost as Percentage of Medicare: not available
Prescription Drug	Dollar Cost: \$99.99 pmpm
	Cost as Percentage of Average Wholesale Price: not available
Laboratory (other than inpatient)	Dollar Cost: \$33.38 pmpm
	Cost as Percentage of Medicare: not available

Radiology (other than inpatient)	Dollar Cost: \$47.54 pmpm
	Cost as Percentage of Medicare: not available
Other (describe)	Dollar Cost and Description: Miscellaneous benefits not included above: Dollar Cost: \$1.93 pmpm Cost as % of Medicare: not available

4) Amount of Projected Trend, by Aggregate Benefit Category, Attributable to Use of Services, Price Inflation, Fees and Risk

Hospital Inpatient	Trend attributable to use of services: 1%
	Trend attributable to price inflation: 9%
	Trend attributable to fees and risk: n/a
Hospital Outpatient (including ER)	Trend attributable to use of services: 5%
	Trend attributable to price inflation: 7%
	Trend attributable to fees and risk: n/a

Physician/other professional services	Trend attributable to use of services: 2%
	Trend attributable to price inflation: 6%
	Trend attributable to fees and risk: n/a
Prescription Drug	Trend attributable to use of services: Use reflected in overall trend below
	Trend attributable to price inflation: overall trend for category: 9%
	Trend attributable to fees and risk: n/a
Laboratory (other than inpatient)	Trend attributable to use of services: 2%
	Trend attributable to price inflation: 6%
	Trend attributable to fees and risk: n/a
Radiology (other than inpatient)	Trend attributable to use of services: 2%
	Trend attributable to price inflation: 6%
	Trend attributable to fees and risk: n/a
Other (describe)	n/a

Note: The extremely low membership in KP PPO plans (less than 1,000 members) does not support development of meaningful trend projections. The trends shown here are estimates based on the national data found in special actuarial literature.

5) Other Information

Complete and submit the CA Plain Language Spreadsheet.

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